

South Carolina Administrative Law Court

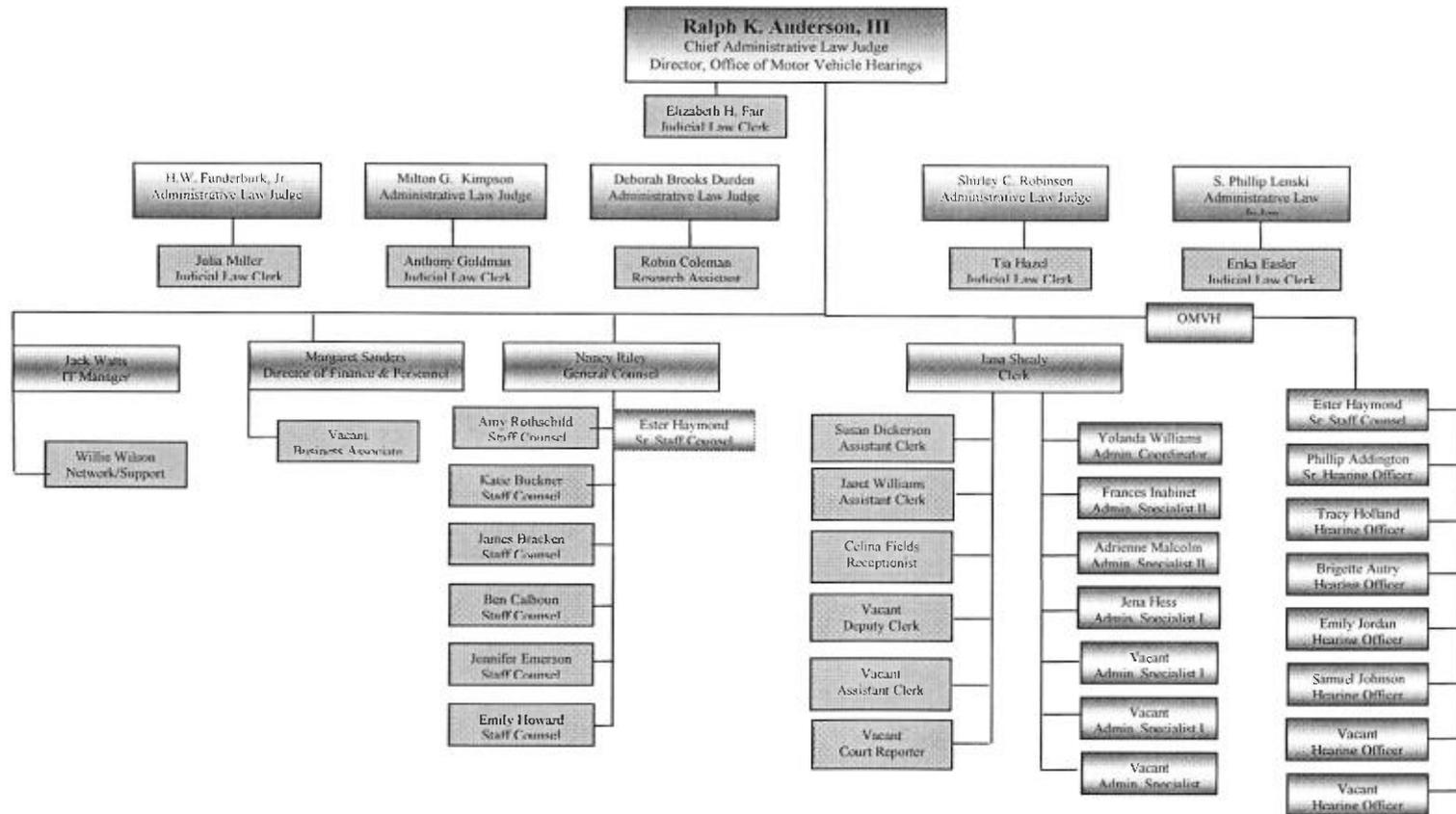
**House Ways and Means
Constitutional Subcommittee
2019-2020 Budget Hearing
Tuesday, January 22, 2019 at 10:00 a.m.**

Key Officials Attending Meeting

- Ralph K. Anderson, III, Chief Judge
803.734.6409
- Jana Shealy, Clerk of Court
jshealy@scalc.net
803.734.6411

The Court's mission is to provide a neutral forum for fair, prompt and objective hearings for any person(s) affected by an action or proposed action of certain State agencies or departments.

South Carolina
Administrative Law Court
2019



The South Carolina Administrative Law Court (ALC) Overview

- The ALC is a court of record and agency in the Executive Branch
- The mission is to provide a neutral forum for fair, prompt and objective hearings for any person(s) affected by an action or proposed action of certain state agencies or departments
- The ALC is comprised of the ALC and Office of Motor Vehicle Hearings (OMVH)
 - ALC has 6 judges and 20 support staff
 - OMVH has 5 hearing officers and 5 support staff (Chief Judge is Director)
 - The support staff for the ALC also includes staff that supports the OMVH
 - Total of 44 FTES, 9 are currently vacant

FY 19-20 Budget Plan

- Initial budget plan submitted with no new funding or proviso request
- Amending to request \$20,000.00 in recurring funding for internet/metronet connections

Current Budget

State (with allocations):	\$2,689,301
*Other:	<u>\$1,555,986</u>
Total:	\$4,245,287

Expenditures:

Salaries and Benefits:	\$3,406,997
Remaining for Operating:	\$ 838,290

(i.e., Rent, WestLaw, Court Reporting, Postage, Equipment, Supplies, etc.)

*Other funds: revenue pursuant to SC Code Section 1-23-670, 56-5-2952 and Proviso 58.1

AGENCY NAME:	South Carolina Administrative Law Court		
AGENCY CODE:	CO5	SECTION:	58

**Fiscal Year 2017-18
Accountability Report**

SUBMISSION FORM

AGENCY MISSION	<p>The Court’s mission is to provide a neutral forum for fair, prompt and objective hearings for any person(s) affected by an action or proposed action of certain State agencies or departments. The purpose of an administrative court such as the ALC, is to separate the adjudicatory proceedings from the investigative and policy-making functions of the agency. Prior to the creation of the Court, citizens who had a dispute with a state agency and wanted to challenge any action related to the dispute had to appear before hearing officers employed or contracted by that particular agency. The creation of this Court provided a forum separate from the agency whose decision was in dispute. The Court places a very high value on its ability to be fair and neutral to all of the litigants that appear before the Court and on continuing efforts to improve its results.</p> <p>The Office of Motor Vehicle Hearings (OMVH) was created in 2005 as an office within the ALC and its mission is to provide a neutral forum for fair, prompt, and objective hearings for persons affected by certain actions or proposed actions of the SC Department of Motor Vehicles, ensuring due process and respecting the dignity of all.</p>
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AGENCY VISION	<p>The Court's vision, including the OMVH, is to provide a technologically advanced court, easily accessible by all customers and stakeholders, to ensure the fair, prompt and objective resolution of all cases.</p>
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Please select yes or no if the agency has any major or minor (internal or external) recommendations that would allow the agency to operate more effectively and efficiently.

	Yes	No
RESTRUCTURING RECOMMENDATIONS:	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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Please identify your agency's preferred contacts for this year's accountability report.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
PRIMARY CONTACT:	Jana Shealy	734-6411	jshealy@scalc.net
SECONDARY CONTACT:	Margaret Sanders	734-6414	msanders@scalc.net

I have reviewed and approved the enclosed FY 2017-18 Accountability Report, which is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR <i>(SIGN AND DATE):</i>	
<i>(TYPE/PRINT NAME):</i>	The Honorable Ralph King Anderson, III Chief Administrative Law Judge

BOARD/CMSN CHAIR <i>(SIGN AND DATE):</i>	
<i>(TYPE/PRINT NAME):</i>	

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AGENCY'S DISCUSSION AND ANALYSIS

The Administrative Law Court (ALC) is in the Executive Branch and since its inception has evolved from an agency with 6 Administrative Law Judges (ALJ) and staff to an agency and court of record with an additional division, the Office of Motor Vehicle Hearings (OMVH), housing five (5) hearings officers and staff. Although the Court's jurisdiction has increased at a steady rate since its inception, the number of cases filed has decreased slightly. The Court now hears cases involving all state agencies except those arising under the Consolidated Procurement Code, the Public Service Commission and the Workers' Compensation Commission. (See Age of Disposed Cases below for specific case types filed with the Court).

The Court was created to provide a neutral forum for fair, prompt and objective hearings related to our jurisdiction. Though the ALC provides an excellent forum for the review of administrative law matters, there is always room for improvement, especially related to the time frames for disposing its cases (See Graph Charts regarding percentage of disposed cases). In analyzing the statistics for this year's disposals, there were a small number of cases that were disposed of well beyond the targeted time-frame. A closer review shows why it is often important to note that delays in cases may be beyond the control of the Court, in particular when motions for continuances, or to hold matters in abeyance pending the outcome of another court case are filed. For example, a county tax matter was filed and assigned in 2007 but was not disposed of until 2017. The party requesting the hearing asked for the matter to be held in abeyance pending the outcome of a quiet title action involving his property that was pending in circuit court and ultimately appealed to the Court of Appeals. When the case was reassigned to a new judge (due to the retirement of the previously assigned judge) the matter was dismissed with leave for the parties to refile if necessary after the Court of Appeals decision. Similarly, a 2009 case was held in abeyance pending outcome in another court and the matter was reassigned due to retirement and it was ultimately dismissed. In all, there were five cases that were at least three to eight years old and six cases that were two to three years old. The Court's overall disposition time-frames are trending at comparable rates over the past few years, even considering these anomalies.

The Chief Judge is statutorily responsible for the assignment of cases filed with the Court to an ALJ and is the Director of the OMVH where the cases are automatically assigned to a hearing officer based on specific geographic regions. The Chief Judge is also responsible for the administration of the Court and OMVH, including budgetary matters and supervision of the support staff. The other ALJs are individually responsible for efficiently disposing of cases assigned to them and for the supervision of his or her administrative assistant/law clerk. Although the Chief Judge is the administrator of the Court, each ALJ has complete autonomy over the cases he or she is assigned to adjudicate. Each ALJ and his or her law clerk are responsible for ensuring the fair and prompt disposition of the cases assigned to their office. Although there are internal workflows and timeframes for disposing of cases, there is no required uniformity among the judges' offices nor are there requirements that mandate compliance with the timeframes or workflows. The Court's current structure, with six autonomous judges' offices, does not lend itself to centralized oversight of case disposition processes. Legislative changes would be necessary if the General Assembly determined that such centralization or oversight of case dispositions was necessary. If the Court is unable to accomplish its goals and objectives, the greatest risk of a negative impact on the public would be for due process to be delayed or denied. If a case becomes moot due to lack of a timely decision, this could potentially have a negative impact on the parties involved. Citizens should be able to rely on a court system that is fair and prompt. Further, a court that is fully funded without reliance on fees would also mitigate these issues rising to the level of immediate concern for all stakeholders.

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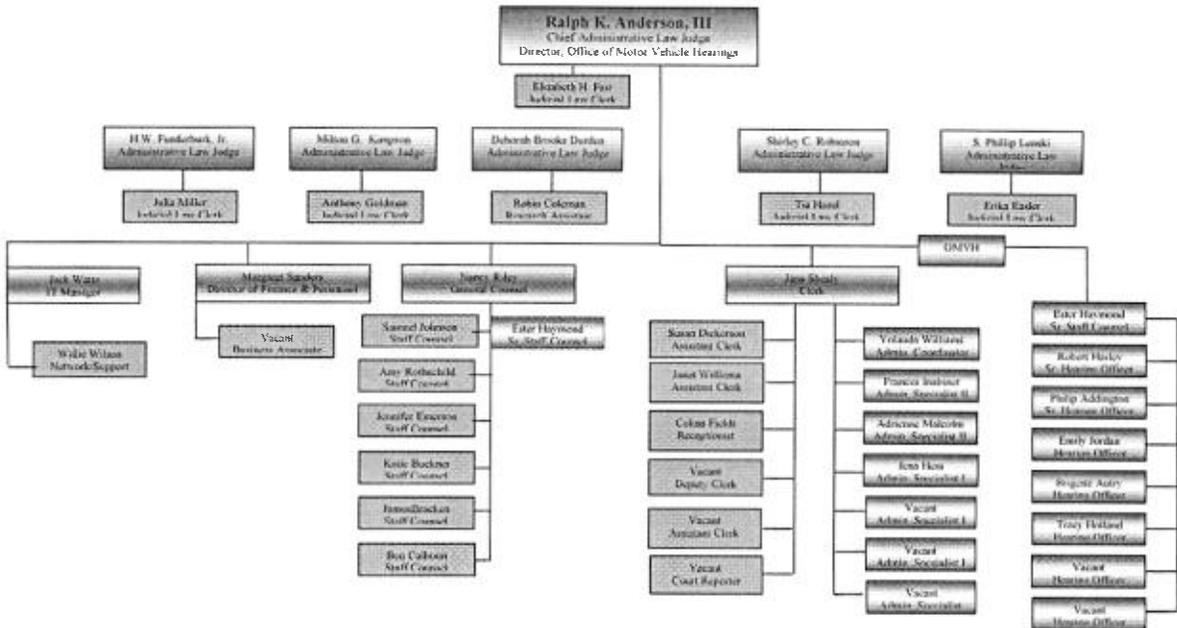
A top priority of the Court (including OMVH) is protecting our information and IT assets against increasing cyber threats and vulnerabilities. We depend heavily on our network and information systems for essential operations and data security and go beyond the minimum necessary steps to protect them. Recently the Court initiated a modernization of our data systems, networks, courtrooms and information platforms. This was imperative to protect business-critical applications and data. After strategic planning the Court began constructing a modernized and secure IT infrastructure that enhanced the agency's voice, network, data, and video capabilities, providing secure platforms for internal and external communications.

The Court will continue to develop and enhance a secure electronic filing system that is safe for all users, internal and external. Consolidating records while reducing the paper process will allow litigants faster access to the Court's information and provide electronic access to the public. In addition, the system and reduction of paper filings will increase the court's efficiency in processing and disposing of cases.

Much effort is being put into the cyber security education of all agency employees. Weekly safety briefs are a standard through email and on the Court's intranet site which is always accessible for users. The ALC's personnel stay informed by industry leaders to leverage best practices. We recognize that the first line of defense in maintaining the security and integrity of our IT assets and networks starts with informed IT personnel.

The Court will continue its efforts to meet its strategic goal to develop technology improvements and increase the Court's efficiency.

**SC ADMINISTRATIVE LAW COURT
ORGANIZATIONAL CHART 2018**



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AGE OF DISPOSED CASES REPORT

		Total Disposed	Average Age at Disposal	% Meeting Objective
Agency I. Contested Cases Objective = 90 Days		211	86	70
DNR	Hunting/Fishing Violations [ALC CC 90]	--	--	--
DOR	ABC Applications/Renewals [ALC CC 90]	52	93	60
LLR	Wage Disputes [ALC CC 90]	--	--	--
LLR	OSHA Violations [ALC CC 90]	17	194	35
ANY	Injunctive Relief Hearings [ALC IJ 90]	80	77	66
ANY	Public Hearings for Proposed Regulations [ALC RH 90]	44	67	95
ANY	Subpoenas	6	13	100
ANY	Miscellaneous	12	73	75
Agency II. Contested Cases Objective = 120 Days		49	149	45
DCA	Applications/Violations [ALC CC 120]	3	203	0
DNR	Coastal Fisheries Violations [ALC CC 120]	1	143	0
DOI	Insurance Agent Applications [ALC CC 120]	2	152	50
DOI	Insurance Rate Cases [ALC CC 120]	--	--	--
DOR	ABC violations [ALC CC 120]	40	150	45
SLED	CWP/PI/Security License [ALC CC 120]	3	80	100
Agency III. Contested Cases Objective = 180 Days		77	336	57
ANY	Setoff Debt Collection [ALC CC 180]	2	86	100
ANY	Tourism Expenditure Review [ALC CC 180]	--	--	--
DHEC	Health Licensing Cases [ALC CC 180]	13	845	0
DNR	Boating Under the Influence [ALC CC 180]	7	148	86
DOI	Insurance Agent Violations [ALC CC 180]	3	331	0
DOR	Bingo Violations [ALC CC 180]	7	141	86
DOR	County Property Tax [ALC CC 180]	25	332	60
DOT	Outdoor Advertisements/DBE/Displacement	--	--	--
PEBA	State Retirement Systems [ALC CC 180]	10	249	60
SOS	Charities [ALC CC 180]	9	83	89
Agency IV. Contested Cases Objective = 300 Days		48	340	50
DHEC	Certificate of Need [ALC CC 300]	9	318	44
DHEC	Environmental Permitting [ALC CC 300]	11	296	64
DHEC	Ocean and Coastal Resource Management [ALC CC 300]	4	494	0
DOR	State Tax Cases [ALC CC 300]	24	536	50
Agency V. Appeals Objective = 120		70	120	54
DEW	Employment and Workforce Appeals [Appeals from DEW]	70	120	54
Agency VI. Appeals (all other non inmate) Objective = 180		81	202	67
HHS	Medicaid and Provider Appeals [Appeals (all others) 180]	15	370	47
DOA	Employee Grievance Appeals [Appeals (all others) 180]	2	133	50
Any	Charter School Appeals [Appeals (all others) 180]	2	161	50
CJA	Criminal Justice Academy Appeals [Appeals (all others) 180]	--	--	--

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OMVH	Administrative License Revocations/Ignition Interlock Appeals	29	152	79
LLR	Professional Licensing Board Appeals [Appeals (all others) 180]	11	175	64
DSS	Daycare/Fostercare Appeals, SNAP (FI) [DSS]	11	139	91
PEBA	PEBA Employee Insurance Program Appeals	11	214	45
Category IV Case Types: Objective = 120 days		639	103	90
DOC	Inmate grievances [DOC & PPPS]	639	103	90
ALL CASE TYPES		1175	135	77
ALL CASE TYPES excluding inmate grievances		536	173	61

NOTE: DOI: Dept. of Insurance; LLR: Dept. of Labor, Licensing and Regulation; DNR: Dept. of Natural Resources; DOR: Dept. of Revenue; DHEC: Dept. of Health and Environmental Control; HHS: Dept. of Health and Human Services; DSS: Dept. of Social Services; SLED: State Law Enforcement Court; DOC: Department of Corrections; PPPS, Department of Probation, Parole and Pardon Services; PEBA: Public Employee Benefit; OMVH: Office of Motor Vehicle Hearings; CA: Department of Consumer Affairs; DEW: Employment and Workforce; CJA: Criminal Justice Academy; SOS: Secretary of State; DOA: Department of Administration; DOT: Department of Transportation

COMBINED COURT AND OMVH WORKLOAD SINCE 2011

FISCAL YEAR	COURT	OMVH	TOTAL CASES FILED	COURT	OMVH	TOTAL CASES DISPOSED
FY 10-11	1945	6786	8,731	1986	6760	8,746
FY 11-12	1733	6939	8,671	1886	7501	9,387
FY 12-13	1472	6776	8,248	1497	6678	8,175
FY 13-14	1698	6863	8,561	1776	6777	8,553
FY 14-15	1615	6796	8,411	1771	6627	8,398
FY 15-16	1483	6385	7,868	1430	6568	7,998
FY 16-17	1283	6240	7,523	1310	6314	7,624
FY 17-18	1117	6089	7,206	1175	6309	7,426

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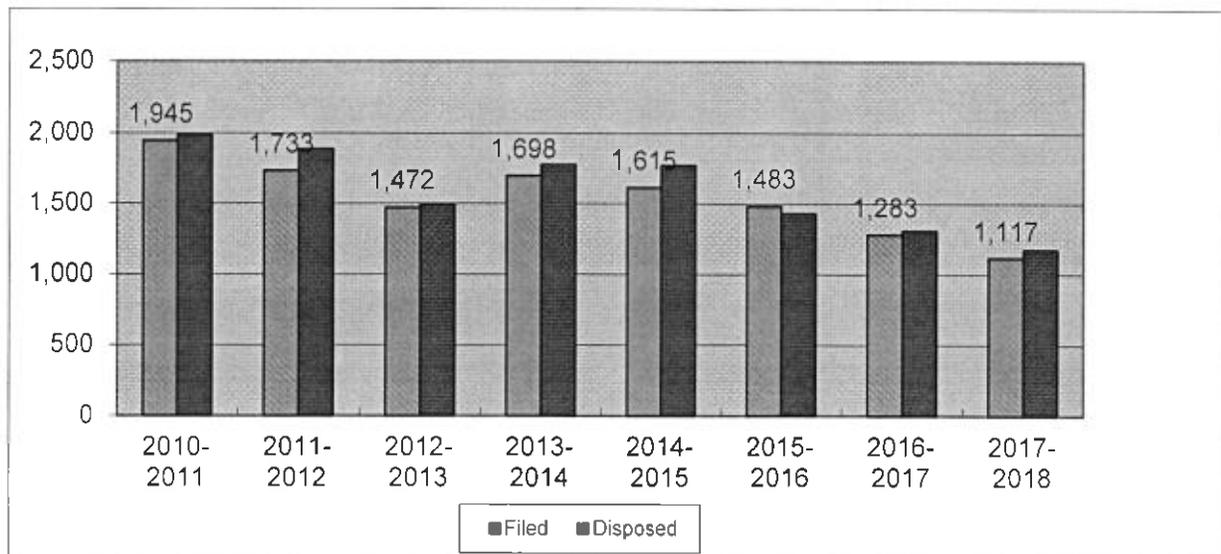
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COURT'S WORKLOAD REPORT SINCE 2011

FISCAL YEAR	*CCs, RHs, IJs, and & other appeals	Al-Shabazz/ Furtick Appeals	TOTAL CASES FILED	*CCs, RHs, IJs, and & other appeals	Al-Shabazz/ Furtick Appeals	TOTAL CASES DISPOSED
FY 10-11	750	1,195	1,945	924	1,062	1,986
FY 11-12	643	1,090	1,733	627	1,259	1,886
FY 12-13	567	905	1,472	559	938	1,497
FY 13-14	636	1,062	1,698	670	1106	1,776
FY 15-16	506	977	1,483	543	887	1,483
FY 16-17	492	791	1,283	534	776	1,310
FY 17-18	483	634	1,117	536	639	1,175

FILINGS AND DISPOSITIONS FOR THE COURT (EXCLUDING OMVH) SINCE 2011

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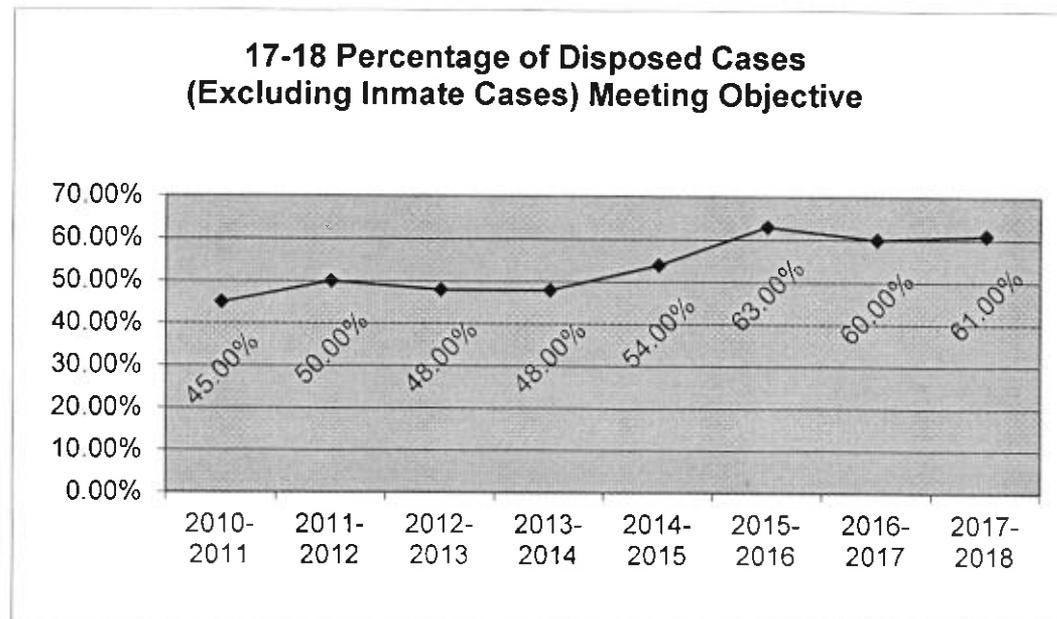
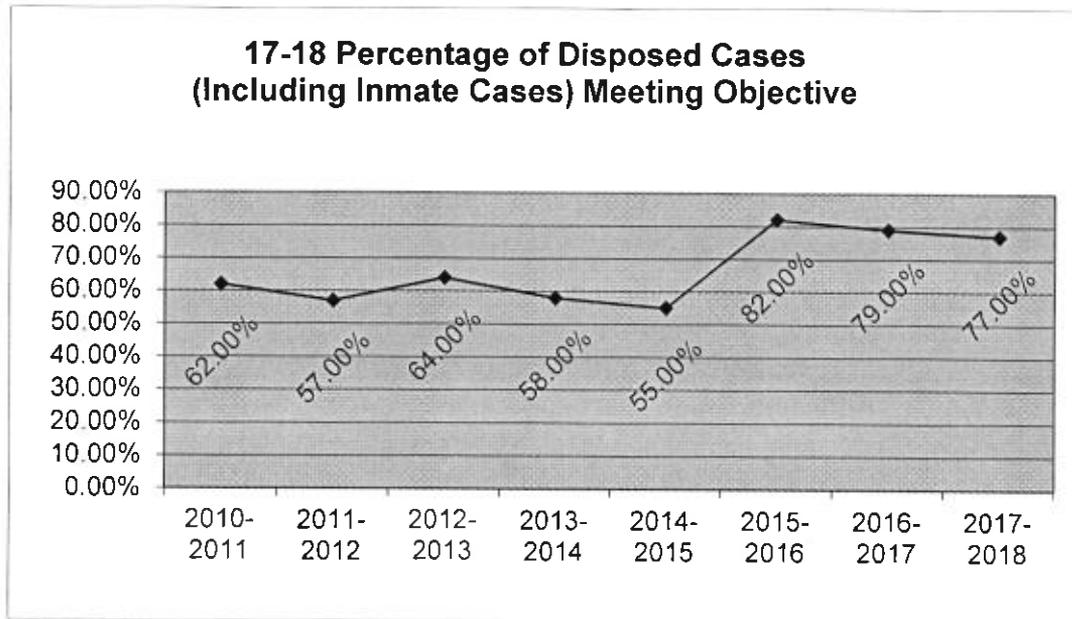
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DISPOSITION PERCENTAGES FOR THE COURT (EXCLUDING OMVH) SINCE 2011



AGENCY NAME:

South Carolina Administrative Law Court

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OMVH WORKLOAD REPORT FOR CURRENT YEAR 2017-2018

Case Type #	Description	CASES FILED	CASES DISPOSED
01	Implied Consent or BAC	5887	6096
02	Habitual Offender 1 st Declared	38	56
03	Habitual Offender Reduction	32	41
04	Financial Responsibility	67	44
05	Dealer Licensing	9	8
06	Physical Disqualification	15	11
07	IFTA	6	6
08	Self-Insured	--	--
09	Driver Training School	--	--
10	IRP	--	--
11	Miscellaneous	4	6
12	Points Suspension	4	6
13	HOR 2	4	2
14	IID (Ignition Interlock)	23	33
TOTAL		6089	6309

OMVH WORKLOAD REPORT FOR 2016-2017

Case Type #	Description	CASES FILED	CASES DISPOSED
01	Implied Consent or BAC	5991	6117
02	Habitual Offender 1 st Declared	53	41
03	Habitual Offender Reduction	51	47
04	Financial Responsibility	53	40
05	Dealer Licensing	16	9
06	Physical Disqualification	8	8
07	IFTA	6	5
08	Self-Insured	--	--
09	Driver Training School	--	--
10	IRP	2	--
11	Miscellaneous	5	3
12	Points Suspension	8	6
13	HOR 2	9	10
14	IID (Ignition Interlock)	38	28
TOTAL		6240	6314

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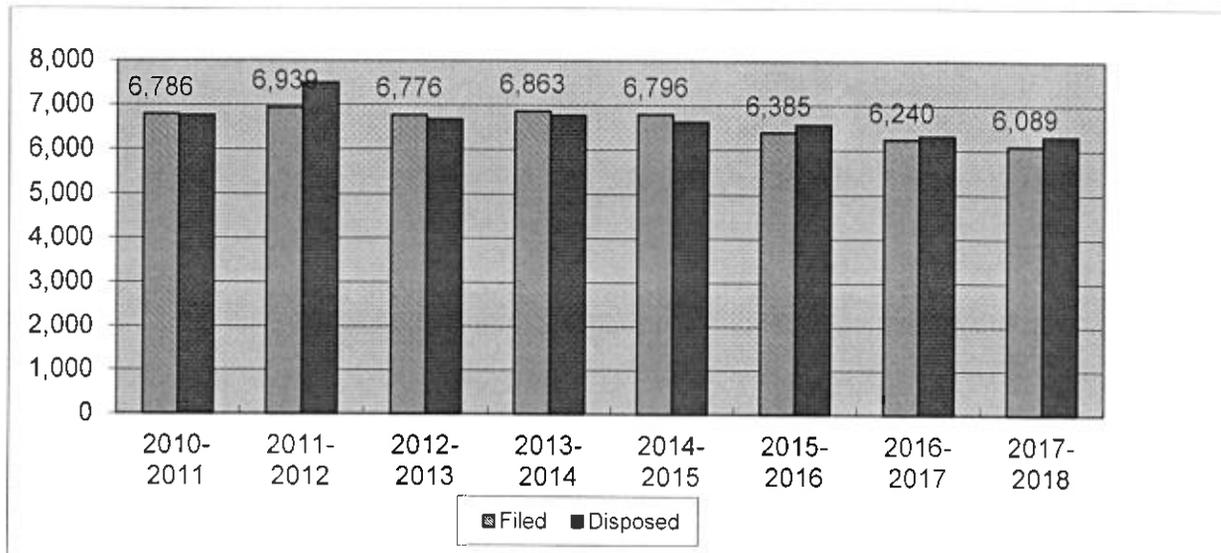
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OMVH WORKLOAD REPORT FOR 2015-2016

Case Type #	Description	CASES FILED	CASES DISPOSED
01	Implied Consent or BAC	6197	6332
02	Habitual Offender 1 st Declared	52	71
03	Habitual Offender Reduction	42	51
04	Financial Responsibility	31	45
05	Dealer Licensing	9	7
06	Physical Disqualification	8	8
07	IFTA	7	9
08	Self-Insured	0	0
09	Driver Training School	0	0
10	IRP	1	1
11	Miscellaneous	4	4
12	Points Suspension	6	8
13	HOR 2	7	5
14	IID (Ignition Interlock)	31	27
TOTAL		6385	6568

FILINGS AND DISPOSITIONS FOR THE OMVH SINCE 2011

FY 19-20 Budget Priorities Summary

Administrative Law Court

Budget Priorities*				Funding					FTEs			
Priority No.	Priority Type (non-recurring/recurring/other funds adjustment/federal funds adjustment)	Priority Title	Priority Description	Non - Recurring	Recurring	Other	Federal	Total	State	Other	Federal	Total
1	Recurring	IT Connections	Recurring funding for internet/metronet connections		20,000			20,000				

*This is an amendment to our initial request which requested no new funds, see attached for justification.

JUSTIFICATION FOR AMENDED BUDGET REQUEST

Services provided by PRT to the ALC for about the past 15 years:

Internet Connection

Metro-E Connection

Firewall

Hosted website

The ALC is working on the purchase of a firewall and will be able to absorb this one-time cost from current revenue funds (\$50,000). The other part of the equation is moving several telephone lines (including the line to Statehouse Security) from the PRT network to the ALC network as well as the internet/metronet connections.

During the years of partnership with PRT, the ALC never paid any monthly fees for the connection services. As we separate from the PRT network, we will have to begin paying for these services. We will be using the State IT network and the cost for those is estimated to be around \$1500 per month.

Therefore the ALC will be amending its budget request to include a new recurring cost of \$20,000 annually to fund the cost of hosting its own website and the internet/metronet connections.

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**Fiscal Year 2019-20
Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)	For FY 2019-20, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting General Fund Appropriations.
	<input type="checkbox"/>	Requesting Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS (FORM B2)	For FY 2019-20, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS (FORM C)	For FY 2019-20, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS (FORM D)	For FY 2019-20, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input checked="" type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
PRIMARY CONTACT:	Jana Shealy	734-6411	jshealy@scalcn.net
SECONDARY CONTACT:	Margaret Sanders	734-6414	msanders@scalcn.net

I have reviewed and approved the enclosed FY 2019-20 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<i>Agency Director</i>	<i>Board or Commission Chair</i>
SIGN/DATE:		
TYPE/PRINT NAME:	Ralph K. Anderson, III, Chief Judge	

This form must be signed by the agency head – not a delegate.

Constitutional Subcommittee Proviso Request Summary FY 2019/20

Proviso # in FY 18-19 Act	Renumbered FY 19-20 Proviso #	Proviso Title	Short Summary
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NO NEW PROVISO REQUESTS

administrative law court found 2 times.

PLEASE NOTE

Text printed in *italic*, **boldface** indicates sections vetoed by the Governor.

- * Indicates those vetoes sustained by the General Assembly.
- ** Indicates those vetoes overridden by the General Assembly.
- *** Indicates vetoes continued by the House of Representatives.

Part 1B SECTION 58 - C050 - ADMINISTRATIVE LAW COURT 2018-2019 Appropriation Act

SECTION 58 - C050 - ADMINISTRATIVE LAW COURT

58.1. (ALC: Copying Costs Revenue Deposit) The **Administrative Law Court** shall retain and expend, for the same purpose for which it is generated, all revenue received during the current fiscal year as payment for printing and distributing copies of court rules and other agency documents.

58.2. (ALC: County Office Space for Judges) Every county shall provide for each Administrative Law Judge residing therein, upon their request, an office within the existing physical facilities if space is available, to include all utilities and a private telephone. The request shall only be made provided that the judges residence is not within fifty miles of the official headquarters of the agency by which the Administrative Law Judge is employed.

58.3. (ALC: ALJ Travel) While holding court or on other official business outside the county in which he resides, within fifty miles of his residence, an Administrative Law Judge is entitled to a subsistence

allowance in the amount of \$35 per day plus such mileage allowance for travel as is provided for other employees of the State. While holding court or on other official business at a location fifty miles or more from his residence, an Administrative Law Judge is entitled to a subsistence allowance in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State. However, notwithstanding any other provision of law, the allowance as provided shall not exceed \$8,000 per judge in a fiscal year.

Administrative Law Court Carry Forward:

\$ 333,107.48 Carry Forward of State Funds from FY2018 into FY2019

\$ 1,599,464.79 Earmark Funds Brought Forward from FY2018 into FY2019

FTE BREAKDOWN

Position FTE	44	State	Other	Vacant
		22	12.75	Other
				9.25
		1 Anderson	Bracken	
		2 Fair	Emerson	
		3 Kimpson	Dickerson	
		4 Goldman	Williams	
		5 Funderburk	Autry	
		6 Miller	Addington	
		7 Durden	Holland	
		8 Coleman	Jordan	
		9 Robinson	Malcolm	
		10 Hazel	Williams	
		11 Lenski	Inabinet	
		12 Easler	Hess	
		13 Shealy	Haymond	
		14 Fields		
		15 Sanders		
		16 Riley		
		17 Buckner		
		18 Calhoun		
		19 Johnson		
		20 Rothschild		
		21 Watts		
		22 Wilson		